



LEGISLATIVE UPDATE

June 27, 2014

The key public education event this week was Wednesday's press conference held by Governor McCrory and Speaker of the House Thom Tillis, on the front lawn of the Governor's mansion. A full panoply of supporters attended: SBE Chairman Bill Cobey, State Superintendent June Atkinson, and a host of other legislators, superintendents, teachers, and students. Speakers such as Superintendents Sean Bulson and Frank Till, and the Alamance County Teacher of the Year, Deanna Foust-Platt, expressed their support for teacher raises, master's degree pay, NCCAT, DPI, and the need to keep teacher assistants in our public schools. Please see this link for coverage of the press conference:

<http://www.wral.com/news/state/nccapitol/video/13763401/>.

"We've been listening, we've been learning," the Governor stated as he reiterated his plan for a "fiscally sustainable pay raise" for teachers: "For the first time in North Carolina history, we will not have a teacher paid less than \$35,000 a year, regardless of where they live in North Carolina." Governor McCrory also remarked that teacher tenure should not be tied to teacher pay. In addition to other key education matters, he spoke about *Career Pathways*, an initiative set forth in both the Governor's and House budgets that will allow teachers to earn additional recognition and salary based on four factors: 1) Experience; 2) Market Value (*e.g.*, teaching in high demand subject areas); 3) Leadership Skills; and 4) Performance.

Speaker of the House Thom Tillis announced that the House Appropriations Committee would consider a bill on that same Wednesday afternoon that would reflect the aforementioned priorities. Declaring that additional lottery proceeds would not be needed for the bill, Speaker Tillis stated, "This is about fulfilling the education promise," and "[t]he budget is going to work itself out." This new bill, first announced at the press conference, is Senate Bill 3, summarized here:

[SB 3](#) 2014 Budget Modifications/Pay Raises/Other Changes

Shortly following the press conference, House leaders rolled out new legislation that passed the House Appropriations Committee and went on to pass the House unanimously (117:0) on Thursday. This new bill essentially serves as a secondary, smaller-scale budget proposal, dealing almost exclusively with K-12 public education spending.

SB 3 largely mirrors the House's Education Budget, including a plan to raise teacher and State employee pay: teachers would receive an *average* 5% pay raise; State employees would receive a \$1000 raise, plus benefits, and five additional annual leave days. The bill would not cut teacher assistants and includes a provision to restore master's pay for those who receive a master's degree and teach in the field of that degree. The bill includes funding for *Career Pathways'* compensation. Significantly, SB 3 does not rely on projected increases in lottery funding to pay for teacher raises and other education-related spending. The legislation does not address further *Read to Achieve* changes but does include the House's proposed revision to the A-F School Performance Grades.

The next step for this bill is the Senate next week. The House sent it by Special Message on Thursday. For the legislative staff's summary of the bill, please see:

http://www.ncleg.net/documentsites/Committees/HouseAppropriations/2014%20Short%20Session/June%2025%20Meeting/S3_Summary.pdf.

SB 812 Replace Common Core with North Carolina's Higher Academic Standards

This bill, now reflecting the House's language only, passed the House after two favorable amendments on Tuesday, June 24. The first amendment makes it clear that SBE can enter into contracts with private entities that implement "the International Baccalaureate, Advanced Placement, or other nationally available educational programs or curricula." The second amendment maintains the State's ability to collect psychometric (*i.e.*, testing) data, as required by both state and federal law. On Thursday, the Senate failed to concur with the House's version and recently appointed conferees:

<http://www.ncleg.net/gascripts/confcomm/confcommittee.pl?BillChamber=S&BillID=812&session=2013>

SB 793 Charter Schools Modifications

This bill, the main charter school legislation of the session, passed the House on June 27. The legislation will now go back to the Senate, where that chamber will have the option to pass the bill with the House amendments, or take the bill to conference. SB 793 was amended this week as follows:

- The Division of Motor Vehicles would be permitted to issue permanent license plates to charter schools for vehicles owned by the school and identified as such. This section would automatically repeal on July 1, 2015.
- SBE would not be allowed to require a planning year for applicants selected through a new fast-track replication process. These applicants would be required to have successfully operated a charter school in the State for at least three years before submitting an application. In addition, this amendment clarifies that fast-track applicants are also subject to existing statutory requirements for charter school applicants set forth in Part 6A of Article 16 of Chapter 115C of the General Statutes.
- SB 793 would expressly require that charter schools be subject to the Public Records Act and Open Meetings Law. It makes charter school employees' basic personnel information public in accordance with G.S. 115C-320(a). However, this provision was amended to prevent the charter school employee's name from being disclosed in conjunction with the other categories of public information.
- Within a charter school's first three years of operation, it would be able to expand by one grade level per year if:
 - The charter school's student academic outcomes for the prior year are at least comparable to the LEA in which the charter school is physically located;
 - The charter school is financially sound;
 - The charter school is in compliance with State law, federal law, its own bylaws, and the provisions in the charter granted by SBE;
 - There are no exceptional circumstances that would justify prohibiting an expansion;
 - (The provisions of this amendment would expire on September 1, 2015).
- This bill would allow a charter school whose mission is single-gender education to limit admission on the basis of gender. An amendment passed that would otherwise prohibit charter schools from discriminating against any student with respect to any category protected under the United States Constitution or other federal law.

Key Committee Meetings: June 23 – June 27

Joint Legislative Program Evaluation Oversight Committee

The Committee discussed NC GEAR (Government Efficiency And Reform). The Governor and the General Assembly created NC GEAR to develop a strategic transformation plan for state government. The initiative is performing a broad analysis of the entire executive branch. The NC Gear team will then develop a comprehensive package of reforms to be considered by the Governor and legislature early next year. Its goals are to improve the efficiency, effectiveness, customer service, and sustainability of state government. For more information, please see: <http://ncgear.nc.gov>

Committee on Rules and Operations of the Senate

HB 1220 Hope 4 Haley and Friends (North Carolina Epilepsy Alternative Treatment Act)

The House concurred with the Senate's revised bill. The bill was ratified on June 26 and presented to the Governor for signature on Friday, June 27. The legislation will permit medical professionals to conduct limited-scope, evidence-based studies exploring the safety and efficacy of treating intractable epilepsy using hemp extract.

Other Relevant Bills with Action This Week:

House Bills

HB 189 Amend Information/Child Support Orders (Glazier, Stevens, L. Hall)

- Passed the Senate on Wednesday, June 25
- Received in the House for concurrence

HB 712 Clarifying Changes/Special Ed. Scholarships (Glazier, Stam, Jackson)

- House concurred with Senate committee substitute
- Ratified, presented to Governor on Friday, June 27

HB 777 Sex Offender/Expand Residential Restrictions (Jackson)

- Signed by Governor on Tuesday, June 24
- SL 2014-21

HB 1031(**SB 743**) NC Economic Development Partnership Modifications (Murry)

- Signed by Governor on Tuesday, June 24
- SL 2014-18

HB 1036 (**SB 755**) No Revolving Door Employment (Howard, Hurley, Moffitt, Lucas)

- Favorable report from House Judiciary Subcommittee A
- Referred to Committee on Rules, Calendar, and Operations of the House

HB 1069 (**SB 759**) Unemployment Insurance Law Changes (Howard, Warren, Arp)

- Ratified
- Vetoed by Governor on Tuesday, June 24
- Re-referred to Committee on Rules, Calendar, and Operations of the House

HB 1154 Moore County Schools Transfer of Property (Boles)

- Referred to Senate Committee on State and Local Government

Senate Bills

[SB 493](#) 2014 Health and Safety Regulatory Reform (Walters)

- Passed the House on Wednesday, June 25
- Ordered engrossed with special message sent to Senate

[SB 734](#) Regulatory Reform Act of 2014 (Wade, Jackson, Brock)

- Passed the House on Wednesday, June 25
- Ordered engrossed with special message sent to Senate

[SB 744](#) Appropriations Act of 2014 (Brown, Harrington, Hunt)

- Conferees changed in the House

[SB 815](#) Ensuring Privacy of Student Records (Barefoot, Brock, Soucek)

- Passed the House on Tuesday, June 24
- Ratified, presented to Governor on Thursday, June 26

Meetings: June 30– July 2 (TBD)

Finally, as the Budget Conferees continue their work on finalizing a budget this summer, please contact them directly and as soon as possible if you have thoughts or concerns about public education funding issues or otherwise:

<http://www.ncleg.net/gascripts/confcomm/confcommittee.pl?BillChamber=S&BillID=744&session=2013>

Contact Information:

Rachel E. Beaulieu

Department of Public Instruction
Legislative & Community Relations Director
919-807-4035
Rachel.Beaulieu@dpi.nc.gov

Zane B. Stilwell, II

State Board of Education
Legislative Relations & Policy
919-807-4068
Zane.Stilwell@dpi.nc.gov

Loretta Peace-Bunch

Legislative Assistant
919-807-3403
Loretta.Peace-Bunch@dpi.nc.gov

Gretchen Cleavelly

State Board of Education
Summer Law Clerk
919-807-3648